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INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE
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SENSITIVE SIPDIS

STATE FOR NEA/ARP BAGHDAD FOR ECON COMMERCE FOR INTERNATIONAL AFFAIRS TREASURY FOR INTERNATIONAL AFFAIRS

E.O. 12958: N/A

TAGS: ECON EAIR PGOV IZ KU

SUBJECT: MINISTER OF COMMUNICATIONS LAUDS U.S.-KUWAIT TIES

REF: A. KUWAIT 314 **1**B. 07 KUWAIT 585

11. (SBU) Summary: Ambassador discussed Kuwait Airways privatization, Kuwait-Iraq relations and Kuwait-U.S. ties during an introductory meeting with the new Minister of Communications, Dr. Mohammed Mohsen Al-Busairi, who also holds the title of Minister of State for National Assembly Affairs. The Minister, an MP for the past decade, who hails from the Ajman tribe and was affiliated with the Islamic Constitutional Movement (ICM), expressed optimism that the current Cabinet would not meet the short-lived fate of its predecessors, asserting that with "a strong Government and a strong Parliament... we (Kuwaitis) can do something." End Summary.

Kuwait Airways Privatization

12. (SBU) Minister Al-Busairi confirmed recent press reports that the GOK intends to move forward with privatization of Kuwait Airways Corporation (KAC) (ref A). He said that the Ministry of Finance is currently assessing valuations prepared by two external firms and that he expected KAC to be converted into a shareholding company within three months. He noted that legislation required the GOK to complete the process by the end of 2009 and that the GOK intends to stick to this timetable. (Note: Many analysts were skeptical that the privatization of the long-suffering Kuwait Airways would be completed this year or next. The GOK's assertion of intent to complete the process on time is perhaps indicative of a new confidence on the part of the executive branch. End Note).

Airport Expansion and Mega-Projects

13. (SBU) Busairi said the GOK expects to commence work on a major expansion of Kuwait International Airport (KIA) before the end of the year. Noting that current annual traffic at KIA exceeds 7.5 million passengers (in a terminal designed for 5 million), he said that the three-year construction project would result in a facility capable of handling 20 million passengers per annum. He added that by 2025, Kuwait would need to consider an additional airport, possibly in the north close to the proposed Silk City and Boubyan Island "mega-projects" (ref B). While Busairi revealed nothing about these mega-projects' commencement dates, he said that they were priorities for the influential Shaykh Nasser Sabah Al-Ahmad Al-Jaber Al-Sabah, the Minister of Amiri Diwan Affairs and eldest son of the Amir.

Iraq-Kuwait Ties

14. (SBU) Discussion of the above-mentioned mega-projects as a gateway to Mesopotamia and Central Asia led to an exchange on Kuwait-Iraq relations. Busairi acknowledged the interconnectedness of Kuwait's and Iraq's economic development. He stated that good relations between the two countries was in Kuwait's national interest and that both countries should look to the future, not the past. He referenced post-World War II European integration as the optimal path for the two nations to follow.

Kuwait-U.S. Bonds

15. (SBU) Busairi was effusive about the bonds between Kuwait and the United States. He noted that most Kuwaiti students dream of studying in the U.S. With reference to U.S. military forces in Kuwait, he said that, "We still need you to be here," adding that this is the wish of "the Government, the people and even Parliament." He said that the presence of U.S. troops in Kuwait and Iraq benefits Kuwaitis and Iraqis alike.

Biographical Data

 $\P4$. (SBU) Born in 1955, Minister Al-Busairi received his undergraduate degree from Helwan University in Cairo, his master's degree from the University of Bridgeport in

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Connecticut and his PhD from the University of Salford in Manchester, England. He is married with two daughters (aged 11 and 18) and twin sons (aged 14). His has six brothers (his two sisters passed away). A former member of the ICM, Busairi was a legislator in the National Assembly from 1999 to 2009. He is a warm and friendly interlocutor and, despite his Islamist credentials, warmly shook Ambassador's hand twice, her gender notwithstanding.